

NEWS RELEASE



For Release: Wednesday, August 19, 2015

15-1635-PHI

MID-ATLANTIC INFORMATION OFFICE: Philadelphia, Pa.

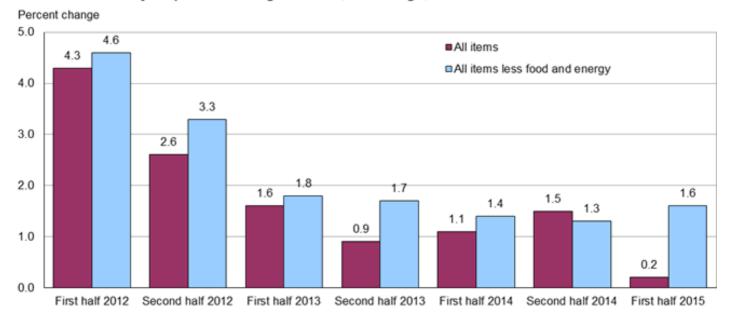
Technical information: (215) 597-3282 • BLSInfoPhiladelphia@bls.gov • www.bls.gov/regions/mid-atlantic/

Media contact: (215) 861-5600 • BLSMediaPhiladelphia@bls.gov

Consumer Price Index, Pittsburgh – First Half 2015 Local prices up 0.2 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Pittsburgh area advanced 0.2 percent from the first half of 2014 to the first half of 2015, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Sheila Watkins noted that the all items less food and energy index rose 1.6 percent from the first half of 2014. (See chart 1.) Food prices rose 2.4 percent over the year, while energy prices dropped 14.9 percent.

Chart 1. Over-the-year percent change in CPI-U, Pittsburgh, first half 2012-first half 2015



Source: U.S. Bureau of Labor Statistics.

Food

Food prices advanced 2.4 percent since the first half of 2014, led by a 2.7-percent increase in prices for food at home. Prices for food away from home also rose, up 1.8 percent over the year.

Energy

The energy index, which includes prices for household and transportation fuels, fell 14.9 percent from the first half of 2014 to the first half of 2015, due almost entirely to a 28.3-percent drop in gasoline prices. Prices for utility (piped) gas service also declined (-7.4 percent), while prices for electricity increased (13.6 percent) over the year.

All items less food and energy

Over the year, the index for all items less food and energy increased 1.6 percent. Price increases were led by shelter, up 3.2 percent, particularly the owners' equivalent rent of residences component which rose 3.7 percent. Moderating the 12-month increase in the all items less food and energy index were lower prices for recreation, down 2.0 percent, and apparel, down 1.7 percent.

The Consumer Price Index for the second half of 2015 is scheduled to be released in January 2016.

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers approximately 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/homch17 a.htm.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater

volatility than the national index, although their long-term trends are quite similar. Note: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.

The **Pittsburgh**, **Pa.** metropolitan statistical area covered in this release is comprised of Allegheny, Armstrong, Beaver, Butler, Fayette, Washington, and Westmoreland Counties in Pennsylvania.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periods, Pittsburgh, PA (1982-84=100 unless otherwise noted)

	Indexes				Percent change from	
Expenditure category	Historical data	1st Half 2014	2nd Half 2014	1st Half 2015	1st Half 2014	2nd Half 2014
All items		238.663	239.249	239.232	0.2	0.0
Food and beverages		247.931	251.685	253.727	2.3	0.8
Food		247.450	251.302	253.446	2.4	0.9
Food at home		243.562	247.861	250.170	2.7	0.9
Food away from home		255.408	258.681	260.064	1.8	0.5
Alcoholic beverages		254.478	257.078	257.924	1.4	0.3
Housing		234.892	239.211	241.078	2.6	0.8
Shelter	-	262.980	268.089	271.328	3.2	1.2
Rent of primary residence (1)		229.548	232.495	232.968	1.5	0.2
Owners' equivalent rent of residences (1) (2)		261.258	266.886	270.838	3.7	1.5
Owners' equivalent rent of primary residence (1) (2)		261.258	266.886	270.838	3.7	1.5
Fuels and utilities		245.966	250.513	246.825	0.3	-1.5
Household energy		224.112	229.977	224.434	0.1	-2.4
Energy services (1)		208.401	218.774	218.358	4.8	-0.2
Electricity (1)		163.206	182.393	185.337	13.6	1.6
Utility (piped) gas service (1)		237.711	227.273	220.216	-7.4	-3.1
Household furnishings and operations		146.939	148.479	148.549	1.1	0.0
Apparel		152.905	154.048	150.354	-1.7	-2.4
Transportation		198.608	192.908	183.089	-7.8	-5.1
Private transportation		196.486	191.135	179.570	-8.6	-6.1
Motor fuel		326.615	300.549	234.225	-28.3	-22.1
Gasoline (all types)		329.848	303.533	236.472	-28.3	-22.1
Gasoline, unleaded regular (3)		327.346	300.383	233.077	-28.8	-22.4
Gasoline, unleaded midgrade (3) (4)		351.948	326.187	256.035	-27.3	-21.5
Gasoline, unleaded premium (3)		314.538	292.338	231.662	-26.3	-20.8

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periods, Pittsburgh, PA (1982-84=100 unless otherwise noted) - Continued

	Indexes				Percent change from	
Expenditure category	Historical data	1st Half 2014	2nd Half 2014	1st Half 2015	1st Half 2014	2nd Half 2014
Medical care		462.432	449.069	463.968	0.3	3.3
Recreation ⁽⁵⁾	-	119.347	115.930	117.018	-2.0	0.9
Education and communication ⁽⁵⁾		145.770	146.310	147.150	0.9	0.6
Other goods and services		403.483	410.828	418.442	3.7	1.9
Commodity and service group						
Commodities		207.827	205.905	200.652	-3.5	-2.6
Commodities less food and beverages		184.977	180.472	171.969	-7.0	-4.7
Nondurables less food and beverages		242.565	235.160	216.670	-10.7	-7.9
Durables		124.423	122.666	123.218	-1.0	0.5
Services		273.070	275.645	279.737	2.4	1.5
Special aggregate indexes						
All items less medical care		227.833	228.985	228.359	0.2	-0.3
All items less shelter.		232.362	231.041	229.605	-1.2	-0.6
Commodities less food	·	187.631	183.367	175.178	-6.6	-4.5
Nondurables		245.841	243.929	235.510	-4.2	-3.5
Nondurables less food		243.317	236.617	219.487	-9.8	-7.2
Services less rent of shelter (2)	-	290.199	289.943	294.801	1.6	1.7
Services less medical care services		259.535	263.183	266.121	2.5	1.1
Energy	•	277.082	268.833	235.896	-14.9	-12.3
All items less energy		237.122	238.455	241.129	1.7	1.1
All items less food and energy	· 	236.245	237.177	239.945	1.6	1.2

⁽¹⁾ This index series was calculated using a Laspeyres estimator. All other item stratum index series converted to a geometric means estimator in January 1999.

Note: Index applies to a 6-month period as a whole, not to any specific date.

⁽²⁾ Indexes on a December 1982=100 base.

⁽³⁾ Special index based on a substantially smaller sample.

⁽⁴⁾ Indexes on a December 1993=100 base.

⁽⁵⁾ Indexes on a December 1997=100 base.